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SPECIAL NOTICE

The public circulation of Foreign Crops and Markets was discontinued last week. Information that may be released without giving aid or comfort to the enemy will be distributed in special circulars and press releases until further notice. This edition is distributed only to officials who need it to discharge their wartime duties and are in a position to safeguard its confidential character.

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L A T E C A B L E S

INDIA: Third official all-India cotton report places the 1941-42 acreage and production at 22,269,000 acres and 4,594,000 bales (of 478 pounds) against 21,982,000 acres and 4,406,000 bales (revised) at the corresponding date in 1940 and a final (unrevised) estimate for 1940-41 of 22,902,000 acres and 4,841,000 bales.

INDIA: The second official 1941-42 rice acreage of India is given as 69,982,000 acres, compared with the second 1940-41 estimate at the same time last year of 69,195,000 acres and the final estimate for last year of 72,216,000 acres.

CHILE: Exchange Control Commission and Agricultural Board announced jointly December 27 that export permits are refused for following agricultural products: Only until next harvest, rice, onions, potatoes, cheese, flour, wheat, corn, and bran; until further notice, green vegetables; and without qualification, domestic varieties of beans and livestock except for breeding. In addition, exportation of canned milk, fruits, and vegetables will be permitted only to countries which obligate themselves to return equivalent quantity of tinplate to that used for such shipments.

G R A I N S

CANADA REGULATES MALTING BARLEY EXPORTS . . .

The issuance of Canadian export permits for the exportation of malting barley to countries other than the United Kingdom has been discontinued, according to information received by the Office of Foreign Agricultural Relations. The permit system for barley exports came into effect August 25, 1941, when the Minister of Agriculture issued an order prohibiting "the exportation from Canada of oats, barley, and any combination or mixture of these or of either of them with other feed grains, whole or ground, unless such shipment is accompanied by a permit signed by or on behalf of the Ministry of Trade and Commerce."

During the period August 25 to November 26, 1941, permits for the exportation of about 2 million bushels of malting barley were issued. An export quota of 2.5 million bushels had been arranged for the current season in order to allow producers of malting barley an opportunity to secure a premium over prices paid for feeding barley and to keep the trade connections established over a number of years with breweries and maltsters in the United States, Mexico, and Central and South American countries. However, in view of the special demand from the United Kingdom and the new regulations adopted, it is expected that the balance of the export quota will go to that country.

The Canadian Wheat Board, acting on behalf of the Wartime Price and Trade Board, has announced that the price ceiling on barley grown in western Canada is 64-3/4 cents per bushel basis in store at Fort William - Port Arthur and Vancouver, plus 6-1/2 cents a bushel if especially selected for malting purposes and diverted to malting plants west of Fort William - Port Arthur. (For statement on the price-ceilings order see Foreign Crops and Markets, November 24, 1941.) The maximum price during the basic period (September 15 - October 11, 1941) for No. 1 C.W. 2 row barley at Fort William as reported by the Dominion Bureau of Statistics was 64-3/4 cents and for No. 1 feed barley, 57-7/8 cents a bushel.

EIRE USES BARLEY FOR FLOUR . . .

Arrangements are being made to hold a portion of the 1941 Eire barley crop as a reserve for human consumption, according to information received in the Office of Foreign Agricultural Relations. The amount reserved will be determined largely by the amount of wheat imported and the possibility of imports during the year. An order of the Minister of Agriculture is said to make it illegal for a person to purchase barley for feeding to livestock or to take delivery of barley already purchased.

No official figures of the 1941 grain production in Eire have been received as yet. The acreage planted to grains, especially wheat, was

reported considerably increased; since the yield per acre, according to earlier reports, was expected to be about average, a somewhat larger out-turn has been anticipated for 1941. An unofficial report at harvesttime expressed belief that the wheat crop would be the largest in nearly a century, though still insufficient for normal domestic needs.

ITALY INCREASES SUPPLEMENTARY BREAD RATIONS . . .

Effective December 1, 1941, the supplementary daily bread ration for laborers performing extra heavy work was increased from 200 to 300 grams, according to information received in the Office of Foreign Agricultural Relations. The supplementary ration brings the total bread ration for laborers performing extra heavy work to 500 grams a day as against 400 heretofore.

Other changes in the bread-ration schedule, effective December 1, are reported to include a supplementary daily ration of 100 grams to pregnant women, making a total of 300 grams; a daily supplement of 100 grams to artisans belonging to federations; and the discontinuance of the former supplementary ration of 100 grams to servants. Military forces and the militia, ordinary and special, as well as men belonging to militarized corps (fire brigades, police, etc.), who for various reasons receive individual ration money, are reported to receive double bread rations, that is, 400 grams a day.

GRAIN STATISTICS . . .

GRAINS: Weekly average closing price per bushel, future delivery,
at leading markets, 1940-1941

Week ended	Wheat						Corn			
	Chicago	Winnipeg	Buenos Aires	Chicago	Buenos Aires		Chicago	Buenos Aires		
	1940	1941	1940	1941	1940	1941	1940	1941	1940	1941
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High <u>a/</u> ...	88	128	71	73	<u>b/</u> 55	-	65	87	28	<u>c/</u>
Low <u>a/</u> ...	82	117	69	70	<u>b/</u> 46	-	59	79	21	<u>c/</u>
					May					
Nov. 29 ...	87	119	70	71	<u>d/</u> 55	<u>f/</u> 55	62	79	23	<u>c/</u>
Dec. 6 ...	87	122	70	71	<u>e/</u> 55	<u>f/</u> 55	61	82	22	<u>c/</u>
13 ...	86	128	71	71	<u>e/</u> 55	<u>f/</u> 55	60	84	28	<u>c/</u>
20 ...	84	126	70	71	<u>e/</u> 55	<u>f/</u> 55	60	83	28	<u>c/</u>
27 ...	86	126	70	70	<u>e/</u> 55	-	61	83	28	<u>c/</u>

Corn prices at Buenos Aires compiled from New York Journal of Commerce; other futures prices from Chicago Daily Trade Bulletin. a/ October 4 to December 26, 1941 and corresponding dates for 1940. Prices based on weekly averages of May futures. b/ November-February futures. c/ Not quoted. d/ December futures. e/ February futures. f/ Spot market price; futures market closed.

C O T T O N - O T H E R F I B E R S

PORTUGUESE AFRICA
GROWS MORE COTTON . . .

Cotton production in the Portuguese African colonies, Mozambique and Angola, for the year ended January 31, 1942, is estimated officially at 104,000 bales (of 478 pounds) and will almost meet the annual needs of the cotton mills in Portugal. Production in Mozambique was estimated at 79,000 bales against 37,000 in 1940-41. The corresponding estimates for Angola are 25,000 and 16,000 bales, respectively. The current estimates for both colonies represent large increases over the crops of any previous year.

The increased production is attributed to favorable weather conditions, especially in Mozambique, and to active aid to growers provided by the Government. The latter included the establishment of experimental farms, selection and distribution of seed, aid in the elimination of pests and diseases, provision of information and instructions for the natives, and introduction of cotton into new areas, notably in the Province of Sul do Save, Mozambique.

The cotton grown in these colonies is usually all exported to Portugal. Colonial export records show that 24,000 bales were exported from Mozambique and 16,000 from Angola in 1940. Imports into Portugal during 1942 from non-Empire sources are not expected to exceed 9,000 bales, compared with an average of 77,000 bales for the 10-year period 1931-40.

A shortage of shipping facilities may make it difficult to bring to Portugal during 1942 the large stocks of cotton said to be stored in the colonies awaiting transportation. These stocks represent a considerable freezing of capital for which the industry was not prepared.

SEA ISLAND COTTON EXPERIMENTS
DISCONTINUED IN CUBA . . .

Cuban farmers, discouraged by poor results from the 1941 crop of Sea Island cotton (picked in January 1941) have discontinued efforts to establish the industry in Cuba on the Isle of Pines. Only about 7 bales (of 478 pounds) were obtained from the 35 acres planted in 1940 compared with 25 and 31 bales harvested in 1938-39 and 1939-40, respectively, from 125 acres planted in each of those years. Lack of sufficient rainfall prevented the planting of a greater acreage in 1940 and reduced the yield from that actually planted. Only 5 farmers participated in the experiment in 1940. No cotton other than Sea Island has been grown in Cuba in recent years.

Cotton from the 1940-41 crop was reported to have been of about 1-11/16 inches staple length, for which an average price of 25 cents a pound was obtained in the United States. Prices obtained for cotton in the 2 previous years averaged 29 cents in 1940 and 30 cents in 1939, f.o.b. Habana docks.

VENEZUELA'S COTTON CROP
SLIGHTLY HIGHER
THAN LAST YEAR . . .

The 1941-42 cotton crop in Venezuela (picked December to March) is estimated unofficially at about 10,000 bales (of 478 pounds) against last year's production of 8,000 bales. Plantings in several important cotton districts were doubled this year, but the yield was much lower because of exceptionally dry weather during the growing period. Since domestic mills require 10,000 to 12,000 bales of cotton annually, small quantities are imported in some years from Peru and the United States to supplement local supplies. A protective tariff, equivalent to 22.7 cents per pound, was imposed in 1932 on cotton imports into Venezuela to protect domestic growers operating at a very high cost of production. The tariff is still in effect, but the present rate is not known.

BURMA INCREASES
1941 COTTON ACREAGE . . .

The second official Burma cotton report places the 1941 planted acreage at 424,900 acres compared with a second 1940 estimate of 376,900 acres and a final estimate of 421,354 acres. The showers that fell early in November were reported to have come too late to benefit the maturing bolls, and the condition of the crop was still considered fair to poor. The abandoned area at the time of this report (November 10, 1941) was estimated at 26,070 acres against 8,240 acres at the same time last year.

The Government announced on September 6, 1941, that it would purchase the entire 1941 cotton crop, sell as much as possible at the best prices obtainable, and hold the remainder until markets were found. The price offered is 65 rupees per 100 viss (5.42 cents per pound) for loose ginned cotton delivered at the various baling centers. This price compares favorably with the average obtained by producers during the past 4 years. Government action was deemed necessary because about 90 percent of the crop is normally exported. About 75 percent of the 1940 crop was exported to Japan and occupied areas of China.

VEGETABLE FIBERS OF URUGUAY . . .

There are at least eight fiber-yielding plants cultivated in Uruguay, according to a report received from the American vice consul at Montevideo. Only three of these fibers, formio, pita, and cañamo, seem to be of importance.

Formio fiber, commonly known in the fiber trade as New Zealand flax, is used on a large scale by the peons for making twine and cord. It is reported that several unsuccessful attempts have been made in Uruguay for the manufacture of sandals from it on a small commercial scale.

Pita fiber is also used in Uruguay for the manufacture of twine and cordage. It is particularly useful in the making of home-made sandals (alpargatas). Pita is similar to fique, and within the country the terms are used interchangeably for the same fiber. In Colombia, both fibers are employed as substitutes for jute and sisal. The report states that the Uruguayan variety of pita does not produce so good a fiber as some of the varieties grown in other countries.

Cañamo (hemp) offers the best prospects for development in Uruguay. It is the only fibrous plant grown on a commercial scale, and there are about 17,300 acres in cultivation. Commercial processing of the fiber is a monopoly controlled by a firm in Montevideo that manufactures string, twine, cables, and ropes. The cañamo fiber is mixed with caroa fiber, which has to be imported from Brazil. Recently this firm commenced the manufacture of fabrics, chiefly for bags although some waterproof canvas used in covering railway cars is manufactured. It is claimed that the cañamo is much stronger than jute and slightly more flexible, giving a better quality fabric when woven.

The manufacturer of fabrics from the cañamo fiber is protected by an increase of 50 percent in the customs tariff on imports of all types of goods that enter the country in competition with the products of the local industry. The report states that the cost of producing cañamo is greater than that for jute, but the firm controlling the industry proposes gradually to cut the cost by production on a much larger scale.

It is said that the Uruguayan Government might welcome efforts to produce and manufacture the native fibers on a commercial scale. On the other hand, it is felt that the landowners probably would not be interested in trying to cultivate these fibers so long as attractive profits are made from their meat and wool.

F R U I T S , V E G E T A B L E S , A N D N U T S

FRUIT AND VEGETABLE CONCESSIONS IN UNITED STATES-CUBAN TRADE AGREEMENT . . .

A number of concessions on fresh fruits and vegetables and their products are contained in the terms of the new trade agreement between the United States and Cuba, which was signed on December 23, 1941. Cuba gave the United States concessions on certain fresh, dried, and preserved fruit, fruit juices, and fresh and canned vegetables, while the United States reduced its import duties on certain minor fruits.

The Cuban import tariffs were reduced on American fresh apples, pears, grapes, peaches, plums, and other similar fruit from the equivalent of 0.54 to 0.36 cent per pound. Apples, pears, and grapes are the major fruits in this category. Cuban imports of apples consist of Pacific coast Delicious and eastern-grown York Imperials, and other varieties. In pears, Comice and Anjou are the most popular imports. Even before the war Cuba was the third most important market for exports of Pacific coast Comice pears.

The Cuban duty on all dried and evaporated fruit, except figs and raisins, was cut from the equivalent of 1.27 cents to 0.62 cent per pound. The duty on preserved fruit (pears, peaches, plums, apricots, and others, except citrus, including mixtures of the above) was reduced to 1.91 cents per pound from 2.72 and 4.35 cents previously charged. The tariff rate on grape juice and cider was reduced from 2.86 cents to 1.24 cents per liter. A seasonal reduction for the period June 1 to October 31 on cauliflower, celery, cucumbers, and other fresh vegetables except tomatoes and cabbage was provided for, with the duty reduced from 0.73 to 0.54 cent per pound. Cuts were also made in the tariff on canned peas, sweet corn, and asparagus, the duty being reduced from 3.27 to 1.91 cents per pound. The same rate also applies to other canned or packed vegetables not specifically classified, which formerly were charged a rate of 3.81 cents per pound. All kinds of canned beans are charged the rate of 1.91 cents compared with the former rates of from 3.27 to 6.53 cents per pound. Canned soups, with the sole exception of tomato soup, is now to be assessed the rate of 3.27 cents per pound, compared with the former rate of 3.27 to 6.53 cents. In its turn, the United States gave concessions on two fruit products. The United States duty on mangoes was cut from 12 to 6 cents per pound while products in the tariff classification "fruits not otherwise specifically provided for" were reduced from 28 to 14 percent ad valorem.

IRAQ DATE CROP BELOW THAT OF 1940 . . .

The 1941 date crop in Iraq is expected to be from 10 to 20 percent below that of the exceptionally good 1940 crop, according to a report

received by the Office of Foreign Agricultural Relations. Preliminary estimates place the quantity suitable for packing for export at 2,150,000 cases (of 70 pounds): 700,000 Hallawi, 250,000 Khadrawi, and 1,200,000 Sayir. The volume that the concessionaire, having a monopoly contract with the Iraq date industry, is obligated to purchase is only 1,850,000 cases. Heavy stocks of dates from the 1940 crop also remain unsold. The quality of the crop is reported as very good. The dates are large and fleshy, and the proportion of horny-tipped dates in the Hallawi is not expected to be high.

No disease damage or infestation has been reported. Floods of the past 3 years have killed about a million young palms. This loss will affect production in time, especially in the Basra district, but thus far yields remain fairly constant. Generally speaking, the plentiful supply of water this year has made the dates fleshier and juicier than normal, although some drop of fruit resulted from the high water at floodtime.

Since 1939 the date trade in Iraq has been under monopoly control as a result of a contract between the concessionaire and the Basra Date Association in effect for 5 years. Because of disturbed world conditions Iraq date growers feared that the concessionaire might reduce purchases, as the agreement permits a reduction if the outbreak of war jeopardizes shipment to the usual markets. The concessionaire has announced, however, an intention to purchase the quantities stipulated in the contract, or even more.

IRAQ: Exports of dates by principal countries, 1939 and 1940

Country	1939	1940
	Million pounds	Million pounds
India	128.0	118.0
United Kingdom	52.6	56.3
United States	45.4	50.9
Australia	10.5	9.2
Canada	9.1	5.2
New Zealand	3.6	4.6
Syria	5.3	13.2
Oman	6.4	4.5
Yemen	10.9	4.2
Straits Settlements	5.5	5.5
Egypt	19.0	3.4
Algeria	1.6	2.4
Morocco	6.0	a/
Others	22.9	14.2
Total	326.9	291.6

Compiled from consular sources. a/ Less than 50,000 pounds.

L I V E S T O C K A N D A N I M A L P R O D U C T SARGENTINE PACKERS TO PAY HIGHER PRICES
FOR BEEF STEERS ON BASIS OF NEW BRITISH PURCHASES . . .

The new British agreement, covering the period October 1, 1941, to September 31, 1942, calls for increased purchases of beef in Argentina. The higher prices to be paid by the British Ministry of Food has justified an upward revision in the fixed price that Argentine packers must pay for beef steers from the prices established by the decree (No. 89293) of April 22, 1941. The Argentine Government announced the new prices as of October 27.

Early in 1941 1/ the Argentine Government fixed the prices for packer purchases of beef cattle in the interest of the Argentine producer in order to narrow the margin between the prices paid for high-quality chiller-type steers when used for freezing purposes 1/ and those paid when the steers were diverted to canning. Indications were that a reduced outlet for beef 2/ in the United Kingdom, as well as in continental Europe, would necessitate the diversion of 50 percent of the high-quality chilled-beef steers to canning.

Live-weight prices for the different types and descriptions were fixed in January on the basis of 26 centavos per kilogram (\$3.51 per 100 pounds) for all chiller-type steers. These prices included a subsidy of 2 centavos (27 cents per 100 pounds) granted by the same decree. Based upon the prices paid by the United Kingdom for frozen beef, the prices that packers could have paid for high-grade chiller steers was 29.75 centavos per kilogram (\$4.02 per 100 pounds), compared with 31 centavos (\$4.19) paid for the grade formerly. However, in view of the smaller purchases of frozen beef and the increased purchases of canned, the fixed price for high-grade chillers was placed at 28 centavos (\$3.78) and the difference between the price that could have been paid and the fixed price was made available for losses involved in utilizing chiller-grade steers for canning. Prices of canned beef in the original British contract and prices that could be obtained for Argentine canned beef in the United States at that time would permit packers to pay only 18.25 centavos (\$2.46 per 100 pounds) for high-grade chiller steers for canning purposes, but the Government fixed the price at 20 centavos per kilogram (\$2.70), thus narrowing the margin for chiller steers when sold for freezing or canning purposes.

These prices were subsequently readjusted and revised upward when it was found that the diversion of 50 percent of the chiller-type steers for canning had not occurred. British purchases of chilled beef

1/ Decrees of January 11, 1941, and January 23, 1941, (Nos. 82080 and 83162), by the National Meat Board. 2/ All meat is now shipped frozen instead of chilled because it keeps longer.

were absorbing 100 percent of the Argentine production of high-quality steers by April 1941. It was therefore determined by the Argentine Government Meat Board that the basic price that could be paid by packers for chilled-beef steers thereafter was 29.75 centavos per kilogram, live-weight (\$4.02 per 100 pounds) without the subsidy, and new live- and dressed-weight prices were fixed for the different grades effective April 22. The price for canners (of the chiller type) remained the same as when the basic price was fixed in January, and a subsidy of 1.75 centavos (24 cents per 100 pounds) was maintained.

ARGENTINA: Fixed basic prices per 100 pounds for all chiller steers, live and dressed weight, effective April 22, 1941, and September 1, 1941 a/

Item	United States currency				
	Effective April 22, 1941		Effective Sept. 1, 1941		
	At ranches		At markets		At markets
	Live-weight b/	Dressed-weight	Dressed-weight	Dressed-weight c/	Dressed-weight c/
Chiller type (sides):	Dollars	Dollars	Dollars	Dollars	Dollars
First grade					
Up to 160 kg. (353 lb.) ..	4.59	7.53	7.11	7.48	7.51
161-165 kg. (354-364 lb.) :	4.46	7.00	6.90	7.38	7.28
166-170 kg. (365-375 lb.) :	4.32	6.79	6.68	7.16	7.06
171-175 kg. (376-386 lb.) :	4.19	6.58	6.47	6.96	6.85
176-180 kg. (387-397 lb.) :	4.05	6.36	6.26	6.74	6.64
Over 180 kg. (397 lb.) ...	3.51	5.52	5.41	5.90	5.79
Second grade					
Up to 160 kg. (353 lb.) ..	4.19	6.53	6.47	6.96	6.85
161-165 kg. (354-364 lb.) :	4.05	6.36	6.26	6.74	6.64
166-170 kg. (365-375 lb.) :	3.92	6.15	6.05	6.53	6.43
171-175 kg. (376-386 lb.) :	3.78	5.94	5.83	6.32	6.21
176-180 kg. (387-397 lb.) :	3.65	5.73	5.62	6.11	6.00
Over 180 kg. (397 lb.) ...	3.17	4.99	4.88	5.35	5.25
	Decree of:		Decree of:		
	Jan. 23, 1941		March 20, 1941		
			Effective Sept. 1, 1941		
	At ranches		At markets		At markets
	Live-weight	Dressed-weight	Dressed-weight	Dressed-weight	Dressed-weight
Superior freezers					
Up to 180 kg. (397 lb.) :	3.22	5.15	5.04	6.10	5.99
Continental	3.00	5.09	4.98	6.41	6.30
Canners: d/					
Up to 140 kg. (309 lb.) :	2.70	4.88	4.76	5.20	5.09
Over 140 kg.	2.36	4.66	4.54	4.97	4.86

a/ Conversion to dollars made at controlled rate of 1 peso=29.77 cents.

b/ Equivalent live-weight prices. c/ Live-weight prices not given. d/ As described effective September 1941. These prices are compared with those for canners at central plants A and B as described April 22, 1941.

The latest adjustment of fixed prices, effective September 1, shows an upward revision of the April prices on the basis of the higher prices paid for Argentine beef by the British Government in the new agreement. At the same time the subsidy has been suspended. The new prices are compared with the former fixed prices in the above table for purposes of reference. (For details as to prices fixed in earlier decrees, see Foreign Crops and Markets, July 7, 1941.)

The methods of meat grading and classification are similar in the decree of October 16, 1941, to those established earlier. All steer carcasses bought by the packing houses on farms or at the Liniers and Rosario markets must be graded and classified by inspectors appointed by the Argentine Meat Board according to the quality types established.

These prices will be amended from time to time, at the suggestion of the Meat Board under the following conditions: (1) When the proportion between the quality of the cattle purchased and the actual marketing value upon which the prices were established varies; (2) when there is a variation, either above or below the prices expected and the prices actually realized. The new prices will compensate for the differences that may have arisen when the previous prices were in force. If at any time the fixed price is higher than that justified by actual marketing conditions, the difference will be covered by a compensation fund, created for the purpose.

URUGUAY WOOL SURPLUS SMALLER, MARKETING SLOW . . .

Despite a smaller exportable surplus of wool in Uruguay for disposal during the 1941-42 season than a year earlier, marketing has been much slower, principally because of uncertainty concerning the price policy of the United States. Now that a ceiling has been placed on wool prices in the United States it may be expected that prices in Uruguay, which have been higher than United States offers, will adjust to lower levels.

Wool marketing during the first 3 months of the new season (October-December) has been much slower than a year earlier. Sales to all countries are estimated at 46 million pounds from October 1 to December 27 against approximately 70 million pounds a year ago through January 1. It is reported that of the sales this season about 15 million pounds, or a third of the total, has been sold to the United States, approximately the same quantity to Sweden, and about 10 million pounds to the local industry. The United States Embassy at Montevideo intimated earlier that the Swedish Government planned to enter the market and purchase large quantities of scoured wool of all classes. Purchases made through December 13 (9 million pounds) were said to be in excess of the amount for which British navicerts had been granted. It was anticipated

that the Swedish buyers would pay the current prices, which were about 15 percent above prices offered by United States buyers. Under present conditions Sweden cannot ship wool and will be obliged to store it in Uruguay.

URUGUAY: Provisionally revised estimates of available supplies for disposal in 1941-42 season, with comparisons

Season October 1 - September 30	: Visible carry- : over October 1 :(first-named year):	: Production	: Available : supplies : for season
	: <u>Million pounds</u>	: <u>Million pounds</u>	: <u>Million pounds</u>
1935-36	10	113	123
1936-37	11	116	127
1937-38	3	116	119
1938-39	21	125	146
1939-40	9	134	143
1940-41	a/ 27	139	166
1941-42	b/... 9	118	127

Estimates supplied by United States Embassy at Montevideo, based on reliable trade sources. a/ Includes 21,710,000 pounds reported as sold mainly to continental European countries. b/ Includes 7,640,000 pounds reported sold.

The estimated exportable surplus of Uruguayan wool in 1941-42, including sold wool held in store, principally on account of continental European countries, is estimated at approximately 110 million pounds, a decrease of 31 percent compared with the preceding season. Carry-over wool at the end of the season (September 30, 1941) was estimated at 9,470,000 pounds, 81 percent of which was reported as sold compared with 26,538,000 pounds on hand a year ago, 82 percent of which had been sold to continental European countries but could not be delivered owing to the naval blockade.

Wool production in Uruguay for the 1941-42 season is provisionally estimated at 118 million pounds. This compares with the final estimate of 139 million pounds for 1940-41, according to the reliable estimate of the Cámara Mercantil (Mercantile Exchange) of Uruguay. Last season's production was larger than average and the largest reported except for 1929 and 1930, when it reached slightly over 150 million pounds.

An estimate of the usual composition of the Uruguayan wool clip, classified according to the grades of fineness used in the trade statistics of this country, indicates that 48 percent falls within the worsted type finer than 56's and 43 percent within the type finer than 44's but not finer than 56's. Only 1 percent of the clip grades as carpet wool. The Uruguayan domestic industry is expected to consume a materially larger quantity this season than formerly. Domestic consumption is provisionally estimated at about 18 million pounds, or a quantity about twice as large as that of a year ago. Consumption in the years 1935-36 to 1939-40 averaged about 6 million pounds annually.

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GENERAL AND MISCELLANEOUS

FOREIGN EXCHANGE . . .

EXCHANGE RATES: Average value in New York of Chinese, Japanese, and some European currencies during last full month for which rates were available a/

Country	Unit	Month	Value in United States currency
			Cents
Belgium	Belga	April 1940	16.89
Denmark	Krone	March 1940	19.31
France	Franc	May 1940	1.85
Germany <u>b/</u>	Reichsmark	May 1941	39.97
Greece <u>b/</u>	Drachma	September 1940	0.66
Italy <u>b/</u>	Lira	May 1941	5.09
Netherlands	Guilder	April 1940	53.08
Norway	Krone	March 1940	22.71
Portugal	Escudo	May 1941	4.00
Spain <u>b/</u>	Peseta	May 1941	9.13
Sweden	Krona	May 1941	23.84
Switzerland	Franc	May 1941	23.20
China <u>b/</u>	Yuan (Shanghai)	June 1941	5.34
Japan	Yen	June 1941	23.44

Federal Reserve Board.

a/ Noon buying rates for cable transfers. Last daily rate reported on April 8, 1940, for the Danish and Norwegian kroner, now officially equal to 0.50 and 0.60 reichsmarks respectively; on May 9, 1940, for the belga and guilder, now officially equal to 0.40 and 1.33 reichsmarks respectively; on June 15, 1940, for the French franc, now officially equal, in the occupied area, to 0.05 reichsmarks; on October 26, 1940, for the drachma; on June 14, 1941, for the other European countries; and on July 26, 1941 for the yen and yuan (Shanghai).

b/ Quotations nominal.

EXCHANGE RATES: Average value in New York of specified currencies,
week ended December 27, 1941, with comparisons a/

Country	Monetary unit	Year 1940	Month				Week ended		
			1939	1940	1941		1941		
			Nov.	Nov.	Oct.	Nov.	Dec. 13	Dec. 20	Dec. 27
			Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina <u>b/</u>	Paper Peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
Australia <u>c/</u>	Pound	305.16	312.66	321.57	321.37	321.43	321.50	321.50	321.50
Brazil <u>d/</u>	Milreis	5.02	5.03	5.02	5.08	5.09	5.13	5.13	5.13
British India	Rupee	30.16	30.13	30.17	30.15	30.15	30.13	30.12	30.12
Canada <u>c/</u>	Dollar	85.14	87.76	86.92	88.78	88.60	88.30	87.30	86.10
Mexico <u>e/</u>	Peso	18.55	20.50	20.40	20.57	20.54	20.56	20.57	20.57
South Africa	Pound	397.99	397.15	398.00	398.00	398.00	398.00	398.00	398.00
Straits Settlements	Dollar	46.98	46.25	47.10	47.16	47.16	47.16	47.16	47.16
United Kingdom <u>c/</u>	Pound	383.00	392.47	403.56	403.29	403.24	403.50	403.50	403.50

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free. Official rates: Australia 322.80 cents; Canada 90.91 cents; United Kingdom 403.50 cents. Most transactions between these countries and the United States must take place at the official buying and selling rates.

d/ Free. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.33 cents in 1940, 5.38 cents in November 1941, and 5.41 cents in the week ended December 27, 1941. Quotations nominal.

e/ Quotations nominal.

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